

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

**COMPANY PETITION NO.610 OF 1990**  
**(OFFICIAL LIQUIDATOR'S REPORT DATED 02.11.2005)**

In the matter of Companies  
Act, I of 1956;

And

In the matter of M/s.La-Precision  
Springs & Engg. Co. Ltd.  
(In Liquidation).

Mr.A.M.Puranik for Bank of Maharashtra and United  
Western Bank.  
Mr.Madhusudan Pareek i/b.Pragna Thakkar & Co. for  
IDBI-Secured Creditors.  
Mr.S.C.Gupta, Official Liquidator, present.

**CORAM: SMT.NISHITA MHATRE, J.**

**DATED: 17TH NOVEMBER 2005**

**P.C.:**

. The Official Liquidator by his report has proposed to declare dividend at the rate of 100 paise in a rupee to the Preferential Creditors aggregating to Rs.26,16,908/-. He has further proposed that dividend at the rate of 60 paise in a rupee be declared to the ordinary creditors amounting to Rs.75,71,525/-. The report also seeks permission to open a "Separate Dividend Account" with the Punjab National Bank, P.N.B. House, Fort Branch, Mumbai with a further direction to pay dividend from 21st November 2005 to 20th May 1996 and the balance amount which remains unpaid/unclaimed to be transferred to the "Company's Liquidation Account".

2. The learned Advocate appearing for the Bank of Maharashtra and United Western Bank submits that even after paying 75,71,525/- as proposed by the Official Liquidator, a substantial amount would lie to the credit of the Company in liquidation. He, therefore, submits that dividend at the rate of 80% be declared for the ordinary creditors rather than 60% as proposed by the Official Liquidator.

3. In my view, this submission of the learned Advocate can be accepted as sufficient funds would be available to the Official Liquidator even after payment of dividend at 80%.

4. Hence, the following directions are issued :

(a) The Official Liquidator to declare a dividend at the rate of 100 paise in a rupee for the Preferential Creditors amounting to Rs.26,16,908/-.

(b) The Official Liquidator shall declare dividend at the rate of 80 paise in a rupee for all ordinary creditors.

(c) The advertisement of notice of declaration of

dividend pursuant to Rule 276 of the Companies (Court) Rules, 1959, shall be published in Free Press Journal and Navshakti. Payment for the said advertisement be made from the funds lying to the credit of the Company (in liquidation).

- (d) Official Liquidator to open a "Separate Dividend Account" with Punjab National Bank, P.N.B. House, Fort Branch, Mumbai. The dividend shall be payable from 21st November 2005 to 20th May 2006. The unpaid/unclaimed amount, if any, from 21st May 2006 shall be transferred to the "Company's Liquidation Account" maintained with the Registrar of Companies, Maharashtra, Mumbai.

5. The Official Liquidator shall make payment of the dividend as early as possible and in any event within six months from today.